

**THIS STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.**

If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

Bursa Malaysia Securities Berhad ("**Bursa Securities**") has not perused this Statement as it falls under the category of Exempt Circulars. Bursa Securities takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.



**FREIGHT MANAGEMENT HOLDINGS BHD.**  
**Registration No. 199601008064 (380410-P)**  
**(Incorporated in Malaysia)**

**STATEMENT TO SHAREHOLDERS**

**IN RELATION TO THE**

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR  
SHARE BUY-BACK**

The resolution in respect of the above proposal will be tabled at the Twenty-Fifth (25<sup>th</sup>) Annual General Meeting ("**AGM**") of the Company, which will be conducted entirely through live streaming from the **Broadcast Venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Wednesday, 24 November 2021 at 10.00 a.m.** The Notice of the 25<sup>th</sup> AGM, Proxy Form, Administrative Guide and this Statement are available on the Company's website at <https://fmgloballogistics.listedcompany.com/AR2021.html>.

If you are unable to attend and vote remotely at the 25<sup>th</sup> AGM and wish to appoint a proxy(ies) instead, you may complete, sign and return the Proxy Form in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the Share Registrar's Office of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, at least forty-eight (48) hours before the time for holding the AGM or any adjournment thereof. You also have option to submit the Proxy Form electronically via TIIH Online website at <https://tjih.online> before the Proxy Form lodgement cut-off time stated below. Please refer to the Administrative Guide on the procedures for electronic lodgement of Proxy Form via TIIH Online.

Last date and time for lodging the Proxy Form	:	Monday, 22 November 2021 at 10.00 a.m.
Date and time of 25 <sup>th</sup> AGM	:	Wednesday, 24 November 2021 at 10.00 a.m.

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## DEFINITIONS

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Unless where the context otherwise requires, the following definitions shall apply throughout this Statement:-

“Act”	: The Companies Act 2016, as may be amended from time to time and any-enactment thereof.
“AGM”	: Annual General Meeting.
“Board”	: The Board of Directors of FMHB.
“Bursa Securities” or “the Exchange”	: Bursa Malaysia Securities Berhad [Registration No. 200301033577 (635998-W)].
“Code”	: Malaysian Code on Take-Overs and Mergers 2016 and any amendments made thereto from time to time.
“EPS”	: Earnings per share.
“FMHB” or “the Company”	: Freight Management Holdings Bhd. [Registration No. 199601008064 (380410-P)].
“FMHB Group” or “Group”	: FMHB and its subsidiary and associated companies, collectively.
“Listing Requirements”	: Bursa Securities Main Market Listing Requirements and any Practice Notes issued in relation thereto, including any amendments that may be made from time to time.
“Market Day”	: Means a day on which the stock market of the Exchange is open for trading in securities.
“Major Shareholder”	: A person who has an interest(s) in voting share(s) in the Company and the number or aggregate number of those shares is:-  (a) 10% or more of the total number of voting shares in the Company; or (b) 5% or more of the total number of voting shares in the Company where such person is the largest shareholder of the Company.  For the purpose of this definition, “Interest” shall have the meaning of “interest in shares” given in Section 8 of the Act.
“Minister”	: Minister charged with the responsibility for companies, currently the Minister of Domestic Trade and Consumer Affairs, Malaysia.
“NA”	: Net Assets.
“Proposed Renewal of Shareholders’ Mandate for Share Buy-Back”	: Proposed renewal of authority to the Company to purchase its own shares representing up to 10% of the total number of issued shares of the Company.
“Purchased Shares”	: Shares purchased pursuant to the Proposed Renewal of Shareholders’ Mandate for Share Buy-Back.
“RM and sen”	: Ringgit Malaysia and sen respectively.
“Statement”	: This statement dated 26 October 2021 in relation to the Proposed Renewal of Shareholders’ Mandate for Share Buy-Back.
“Substantial Shareholder(s)”	: A person who has an interest or interests in one or more voting shares in the Company and the number or the aggregate number of such shares is not less than 5% of the total number of all the voting shares in the Company.

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**DEFINITIONS (Cont'd)**

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All references to “our Company” in this Statement are to FMHB. References to “our Group” are to our Company and our subsidiaries. References to “we”, “us”, “our” and “ourselves” are to our Company and where the context requires, shall include our subsidiaries.

All references to “you” in this Statement are to our shareholders.

Words incorporate the singular shall, where applicable, include the plural and vice versa and words incorporate the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. Reference to persons shall include a corporation, unless otherwise specified.

Any reference in this Statement to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of a day in this Statement shall be a reference to Malaysian time, unless otherwise stated.

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**FREIGHT MANAGEMENT HOLDINGS BHD.**

**Registration No. 199601008064 (380410-P)**

(Incorporated in Malaysia)

Registered Office: -  
Unit 30-01, Level 30, Tower A  
Vertical Business Suite, Avenue 3  
Bangsar South, No. 8, Jalan Kerinchi  
59200 Kuala Lumpur

26 October 2021

**Board of Directors:**

Tengku Nurul Azian Binti Tengku Shahrman (*Chairperson/Independent Non-Executive Director*)

Chew Chong Keat (*Group Managing Director*)

Yang Heng Lam (*Executive Director*)

Gan Siew Yong (*Executive Director*)

Ong Looi Chai (*Executive Director*)

Lau Swee Chin (*Independent Non-Executive Director*)

Soh Chin Teck (*Independent Non-Executive Director*)

Khua Kian Keong (*Non-Independent Non-Executive Director*)

**TO: OUR SHAREHOLDERS**

Dear Sir/Madam,

**PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK**

**1. INTRODUCTION**

On 21 October 2021, the Company announced that it proposes to seek approval from the shareholders for the Proposed Renewal of Shareholders' Mandate for Share Buy-Back at the forthcoming 25<sup>th</sup> AGM to be convened on 24 November 2021.

At the Company's 24<sup>th</sup> AGM held on 27 November 2020, the Board obtained the shareholders' approval to allow the Company to buy-back of up to 10% of its total number of issued shares. This authority shall lapse at the conclusion of the forthcoming 25<sup>th</sup> AGM unless it is renewed.

The purpose of this Statement is to provide you with the relevant information and to seek your approval for an ordinary resolution pertaining to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back to be tabled at the forthcoming 25<sup>th</sup> AGM.

**YOU ARE ADVISED TO READ THE CONTENTS OF THIS STATEMENT CAREFULLY BEFORE VOTING ON THE RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK.**

## **2. DETAILS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK**

The Board is seeking your approval for the Company to purchase and/or hold shares representing up to 10% of its total number of issued shares on Bursa Securities, subject to the Act, Listing Requirements and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of purchase.

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back will be effective immediately upon the passing of the ordinary resolution, and will remain in effect until the conclusion of the next AGM of FMHB, or the expiry of the period within which the next AGM is required by law to be held, or revoked or varied by ordinary resolution passed by shareholders in a general meeting, whichever occurs first.

Set out below are details of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back:-

### **(i) Funding**

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back will be funded by internally generated funds and/or borrowings. Under the Listing Requirements, the maximum funds to be utilised for the purchase of the shares shall not exceed the total retained profits of the Company. Accordingly, the Directors shall allocate an amount of funds which will not be more than the aggregate sum of the retained profits of the Company in respect of any purchase of shares pursuant to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back. Based on the latest audited financial statements of FMHB for the financial year ended 30 June 2021, the retained profits of the Company stood at approximately RM13,140,980. As at the date of issuance of this Statement, the unaudited retained profits of the Company as at 30 September 2021 has not been announced to Bursa Securities.

The actual number of shares to be purchased, the total amount of funds to be utilised, impact on cash flows and the timing of the purchase(s) will depend on the prevailing equity market conditions and sentiments as well as the financial resources available to the Company at the time of the purchase(s). In the event the Company decides to utilise bank borrowings to finance the purchase of its own shares, the Board will ensure that there are sufficient funds to repay such borrowings and that such repayment will not have a material impact on the cash flow or earnings of the Company.

In addition, the Board will ensure that the Company satisfies the solvency test as stated under Section 112(2) of the Act before executing the Proposed Renewal of Shareholders' Mandate for Share Buy-Back.

### **(ii) Treatment of Purchased Shares**

In accordance with Section 127 of the Act, the Purchased Shares may be dealt with by our Directors in the following manner:-

- (a) to cancel the Purchased Shares; or
- (b) retain the Purchased Shares as treasury shares to:-
  - (i) distribute the shares as dividends to shareholders of the Company, such dividends to be known as "share dividends";
  - (ii) resell the shares, or any of the shares in accordance with the relevant rules of Bursa Securities;
  - (iii) transfer the shares, or any of the shares for the purposes of or under an employees' share scheme;
  - (iv) transfer the shares, or any of the shares as purchase consideration;
  - (v) cancel the shares or any of the shares; or
  - (vi) sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; or
- (c) to retain part of the Purchased Shares as treasury shares and cancel the remainder.



**(iii) Ranking**

While the Purchased Shares are held as treasury shares, Section 127(8) and (9) of the Act states that the rights attached to them as to voting, dividends and participation in other distributions or otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares for any purposes including substantial shareholding, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

**(iv) Regulatory requirements**

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back is subject to compliance with Section 127 of the Act, Listing Requirements and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of the purchase.

Pursuant to Section 127(2) of the Act, a company shall not purchase its own shares unless:

- (a) the company is solvent at the date of the purchase and will not become insolvent by incurring the debts involving in the obligation to pay for the shares so purchased;
- (b) the purchase is made through Bursa Securities and in accordance with the rules of Bursa Securities unless otherwise permitted under the relevant rules of Bursa Securities and is made in accordance with such requirements as may be determined by Bursa Securities for the company to purchase its own shares otherwise than through Bursa Securities; and
- (c) the purchase is made in good faith and in the interests of the company.

Pursuant to the Listing Requirements, the Proposed Renewal of Shareholders' Mandate for Share Buy-Back is subject to, *inter-alia*, the following rules:-

- the public shareholding spread of 25% of its total number of issued shares is to be maintained at all times. As detailed in Section 6.7 of this Statement, the Board undertakes to purchase shares only to the extent that the public shareholding spread of FMHB shall not fall below 25% of its total number of issued shares at all times pursuant to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back;
- the purchase price of the shares shall not be more than 15% above the weighted average market price for the Company's shares for the five (5) Market Days immediately preceding the date of the purchase(s);
- an immediate announcement will be made to Bursa Securities of any purchase or resale of shares and whether the Purchased Shares will be cancelled or retained as treasury shares or a combination of both;
- the Company may only resell or transfer any treasury shares on Bursa Securities at:-
  - (i) a price, which is not less than the weighted average market price of FMHB's shares for the five (5) Market Days immediately before the date of the resale or transfer; or
  - (ii) a discounted price of not more than 5% to the weighted average market price of FMHB's shares for the five (5) Market Days immediately before the date of the resale or transfer, provided that:-
    - (a) the resale or transfer takes place not earlier than 30 days from the date of the purchase; and
    - (b) the resale or transfer price is not less than the cost of purchase of shares being resold or transferred;
- the maximum funds to be utilised for the purchase of the shares shall not exceed the level of retained profits of the Company. As mentioned in Section 2(i) of this Statement, the allocation of funds for the Proposed Renewal of Shareholders' Mandate for Share Buy-Back would not exceed the aggregate sum of retained profits of the Company; and

- the Proposed Renewal of Shareholders' Mandate for Share Buy-Back shall only be effected on the market of Bursa Securities via its automated trading system and shall exclude any direct business transactions as defined under the rules of Bursa Securities.

### **3. RATIONALE FOR THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK**

The implementation of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back would enable the Company to utilise its surplus financial resources to purchase shares when appropriate, and at prices which the Board views as favourable.

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back would effectively reduce the number of shares carrying voting and participation rights (unless the Purchased Shares are resold on Bursa Securities or distributed as share dividends). Consequently (whether the Purchased Shares are held as treasury shares or cancelled), all else being equal, the EPS of the Company/FMHB Group may be enhanced as the earnings of FMHB/FMHB Group would be divided by a reduced number of shares.

The Purchased Shares may be cancelled at such time(s) where the Board are of the view that there is excess share capital and wish to reduce the number of shares in circulation. If the Purchased Shares are held as treasury shares, such shares may potentially be resold on Bursa Securities at a higher price and therefore realising a potential gain in reserves without affecting the total issued share capital of the Company. The treasury shares may also be distributed to shareholders as dividends and, if undertaken, would serve to reward the shareholders of the Company.

### **4. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK**

#### **Advantages**

- (i) To enable the Company to stabilise the supply and demand of shares on Bursa Securities and thereby reducing the volatility of shares.
- (ii) If the Purchased Shares are subsequently cancelled, it is expected to enhance the EPS of the Company thereby making the shares more attractive to investors.
- (iii) If the treasury shares are distributed as dividends, it may then serve to reward the shareholders.

#### **Disadvantages**

- (i) The Proposed Renewal of Shareholders' Mandate for Share Buy-Back will reduce the amount of resources available for distribution to the shareholders of the Company and may result in the Group having to forego feasible investment opportunities that may emerge in the future and any income that may be derived from the deposit of funds in interest bearing instruments.
- (ii) The working capital of the Group will also be affected, as any purchase of shares will reduce the Group's working capital depending on the actual number of shares purchased and the purchase price. However, the financial resources of the Group may increase if the shares purchased and held as treasury shares are resold at prices higher than purchase price.

The Board will be mindful of the interests of the Company and the shareholders in implementing the Proposed Renewal of Shareholders' Mandate for Share Buy-Back.

### **5. PURCHASE OF SHARES AND RESALE OF TREASURY SHARES MADE IN THE PREVIOUS 12 MONTHS**

FMHB has not purchased any of its shares in the previous twelve (12) months preceding the date of this Statement. The Company does not have any treasury shares and has not resold, cancelled or distributed any treasury shares as dividends in the same period.

## 6. EFFECTS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK

The effects of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back on the share capital, consolidated NA, working capital, earnings, dividends and the Substantial Shareholders' shareholdings in FMHB are set out below:-

### 6.1 Share Capital

The effects of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back on the issued share capital of FMHB will depend on the treatment of the Purchased Shares. In the event the Proposed Renewal of Shareholders' Mandate for Share Buy-Back is carried out in full and all the Purchased Shares are cancelled, the present issued share capital of the Company will be reduced by the number of shares so cancelled, the effect shall be as follows:-

	Number of shares
Issued share capital as at 30 September 2021	558,444,830
Assuming the shares purchased are cancelled (up to 10% of the total number of issued shares)	55,844,483
<b>Reduced issued share capital</b>	<b>502,600,347</b>

If the Purchased Shares are retained as treasury shares, the Proposed Renewal of Shareholders' Mandate for Share Buy-Back will not have any effect on the issued share capital of the Company. However, the rights attached to the treasury shares as to voting, dividends and participation in other distribution or otherwise would be suspended.

### 6.2 Net Assets ("NA")

The effects of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back on the consolidated NA of FMHB Group would depend on the purchase price of shares, the number of shares purchased, the effective funding cost of FMHB Group to finance the share buy-back, if any, or loss in interest income to the Company, and whether the Purchased Shares are cancelled, retained as treasury shares, resold on Bursa Securities or distributed as share dividends to shareholders.

If all the Purchased Shares are cancelled, the Proposed Renewal of Shareholders' Mandate for Share Buy-Back would reduce the NA per share of FMHB Group if the purchase price of each Purchased Share exceeds the NA per share at the relevant point in time, and vice versa.

The NA of FMHB Group would decrease if the Purchased Shares are retained as treasury shares due to the requirement for treasury shares to be carried at cost and to be offset against equity, resulting in a decrease in the NA of FMHB Group by the cost of the treasury shares.

If the treasury shares are resold through Bursa Securities, the NA of FMHB Group would increase if the Company realises a gain from resale, and vice versa. If the treasury shares are distributed as share dividends, the NA of FMHB Group would decrease by the cost of the treasury shares.

### 6.3 Working Capital

The share repurchased will result in an outflow of cash and thereby reduce the working capital of FMHB Group, the quantum of which is dependent on the purchase price of shares and the number of shares repurchased and the funding cost, if any. However, the working capital and cash flow of the Company will increase upon reselling of Purchased Shares which are retained as treasury shares. Again, the quantum of the increase in the working capital and cash flow will depend on the actual selling price of the treasury shares and the number of treasury shares resold.

#### **6.4 Earnings and EPS**

The effects of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back on the earnings of FMHB Group would depend on the purchase price and the number of shares to be purchased as well as the effective funding cost of the Company, if any, or any loss in interest income to the Group. Further, the purchase of shares will result in a lower number of shares taken into account for the purpose of EPS computation.

#### **6.5 Dividends**

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back, if implemented in full and the dividend quantum maintained at historical level, will increase dividend rate per ordinary share as a result of the reduction in the issued share capital of the Company.

The level of future dividend to be declared or recommended (if any) will be determined by the Board after taking into consideration the performance, cash flow position and financing requirements of FMHB Group.

Any dividends to be declared by FMHB in the future would depend on, inter-alia, the profitability and cash flow position of FMHB Group.

#### **6.6 Substantial Shareholders**

Shares bought back by the Company under the Proposed Renewal of Shareholders' Mandate for Share Buy-Back that are retained as treasury shares and/or subsequently cancelled will result in a proportionate increase in the percentage of the Substantial Shareholders' shareholdings in the Company, as detailed in Section 8 below.

#### **6.7 Public Shareholding Spread**

As at 30 September 2021, the public shareholding spread of the Company was approximately 30.58% of its total number of issued shares.

For the purpose of illustration, if the Company purchases up to the maximum of 10% of the total number of issued shares and assuming the number of shares currently held by the Directors, the Substantial Shareholders or associates of the Directors and/or Substantial Shareholders remain unchanged during the implementation of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back, the proforma public shareholding spread of the Company, based on the Record of Depositors as at 30 September 2021 is expected to be approximately 22.86%. The Board is mindful of the requirement that any purchase of shares by the Company must not result in the public shareholding spread of FMHB falling below 25% of its total number of issued shares.

### **7. CONDITIONS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK**

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back is subject to the approval of the shareholders of FMHB at the forthcoming 25<sup>th</sup> AGM.

### **8. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM**

Save for the proportionate increase in the percentage of shareholdings of the Directors, Substantial Shareholders and persons connected to them as a result of the effective decrease in the total number of voting shares of the Company upon the Proposed Renewal of Shareholders' Mandate for Share Buy-Back, none of the Directors and/or Major Shareholders and/or persons connected to them has any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate for Share Buy-Back.

Based on the Record of Depositors maintained by Bursa Malaysia Depository Sdn. Bhd. as at 30 September 2021 and assuming FMHB implements the Proposed Renewal of Shareholders' Mandate for Share Buy-Back to the extent that the public shareholding spread of FMHB shall not fall below 25% of its total number of issued shares and that the shares purchased are from public shareholders, the effects of the Proposed Renewal of Shareholders' Mandate for Share Buy-Back on the shareholdings of the Directors and Substantial Shareholders of FMHB are as follows:-

Directors	Existing as at 30 September 2021				After the Proposed Renewal of Shareholders' Mandate for Share Buy-Back*			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Tengku Nurul Azian Binti Tengku Shahrman	-	-	-	-	-	-	-	-
Chew Chong Keat	134,375,228	24.06	551,698 <sup>@</sup>	0.10	134,375,228	25.99	551,698 <sup>@</sup>	0.11
Yang Heng Lam	102,610,076	18.37	1,884,896 <sup>#</sup>	0.34	102,610,076	19.85	1,884,896 <sup>#</sup>	0.36
Gan Siew Yong	24,295,608	4.35	551,698 <sup>@</sup>	0.10	24,295,608	4.70	551,698 <sup>@</sup>	0.11
Ong Looi Chai	9,435,466	1.69	-	-	9,435,466	1.82	-	-
Soh Chin Teck	-	-	-	-	-	-	-	-
Lau Swee Chin	-	-	-	-	-	-	-	-
Khua Kian Keong	-	-	111,977,400 <sup>^</sup>	20.05	-	-	111,977,400 <sup>^</sup>	21.66

<sup>@</sup> Deemed interested in shares held by their children.

<sup>#</sup> Deemed interested in shares held by his spouse and children.

<sup>^</sup> Deemed interested by virtue of his interest in Singapore Enterprises Private Limited.

Note: -

\* For illustrative purposes only, the above table assumes that FMHB purchases up to 7.43% of its total number of issued shares as at 30 September 2021 to comply with the 25% public shareholding spread requirement.

Substantial Shareholders	Existing as at 30 September 2021				After the Proposed Renewal of Shareholders' Mandate for Share Buy-Back*			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Chew Chong Keat	134,375,228	24.06	551,698 <sup>@</sup>	0.10	134,375,228	25.99	551,698 <sup>@</sup>	0.11
Yang Heng Lam	102,610,076	18.37	1,884,896 <sup>#</sup>	0.34	102,610,076	19.85	1,884,896 <sup>#</sup>	0.36
Singapore Enterprises Private Limited	111,977,400	20.05	-	-	111,977,400	21.66	-	-
Khua Kian Keong	-	-	111,977,400 <sup>^</sup>	20.05	-	-	111,977,400 <sup>^</sup>	21.66

<sup>@</sup> Deemed interested in shares held by his children.

<sup>#</sup> Deemed interested in shares held by his spouse and children.

<sup>^</sup> Deemed interested by virtue of his interest in Singapore Enterprises Private Limited.

Note: -

\* For illustrative purposes only, the above table assumes that FMHB purchases up to 7.43% of its total number of issued shares as at 30 September 2021 to comply with the 25% public shareholding spread requirement.

**9. IMPLICATIONS OF THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK RELATING TO THE CODE**

The Proposed Renewal of Shareholders' Mandate for Share Buy-Back may result in any Substantial Shareholder(s) together with parties acting in concert triggering mandatory general offer obligation under the Code. However, an exemption from a mandatory offer obligation may be applied to the Securities Commission Malaysia under Rule 4.15 of the Rules on Take-Overs, Mergers and Compulsory Acquisitions, subject to the offeror complying with conditions stipulated therein. The Board is aware of the requirements of the Code and will be mindful of the requirements when making any purchase of FMHB shares pursuant to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back.

**10. HISTORICAL SHARE PRICES**

The monthly highest and lowest prices of FMHB shares traded on Bursa Securities for the preceding 12 months from October 2020 to September 2021 are as follows:

	<b>High (RM)</b>	<b>Low (RM)</b>
<u>Year 2020</u>		
October	0.630	0.530
November	0.840	0.625
December	0.940	0.805
<u>Year 2021</u>		
January	1.280	0.825
February	1.780	1.270
March	1.370	1.070
April	1.960	1.340
May	1.800	1.470
June	1.840	0.720
July	0.770	0.645
August	0.790	0.610
September	0.835	0.770
Last traded price on Bursa Securities on 30 September 2021, being the latest practicable date before the printing of the Statement.		0.770

Source: <https://www.bursamalaysia.com/>

**11. DIRECTORS' RECOMMENDATION**

After due consideration, the Board is of the opinion that the Proposed Renewal of Shareholders' Mandate for Share Buy-Back is in the best interest of the Company. Accordingly, the Board recommends that you vote in favour of the ordinary resolution to be tabled at the forthcoming 25<sup>th</sup> AGM to give effect to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back.

**12. DIRECTORS' RESPONSIBILITY STATEMENT**

This Statement has been seen and approved by the Directors of FMHB and they individually and collectively accept full responsibility for the accuracy of the information contained herein and confirm that after having made all reasonable enquiries and to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this Statement misleading.

### 13. 25<sup>TH</sup> AGM

The 25<sup>th</sup> AGM of FMHB will be conducted entirely through live streaming from the Broadcast Venue at Tricor Business Centre, Manuka 2 & 3 Meeting Room, Unit 29-01, Level 29, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Wednesday, 24 November 2021 at 10.00 a.m. for the purpose of considering and, if thought fit, to pass the resolution pertaining to the Proposed Renewal of Shareholders' Mandate for Share Buy-Back.

The Broadcast Venue is strictly for the purpose of complying with Section 327(2) of the Act. Shareholders/proxies will not be allowed to attend the 25<sup>th</sup> AGM in person at the Broadcast Venue on the day of the meeting.

If you are unable to participate at the 25<sup>th</sup> AGM and wish to appoint a proxy(ies) instead, you may complete, sign, and return the Proxy Form enclosed in the Company's Annual Report 2021 in accordance with the instructions therein as soon as possible so as to arrive at the Share Registrar's Office of the Company at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, not less than 48 hours before the time fixed for the 25<sup>th</sup> AGM. The Proxy Form may also be submitted electronically via TIIH Online website at <https://tiih.online>. Kindly refer to the Administrative Guide on the procedures for electronic lodgement of Proxy Form via TIIH Online.

### 14. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of FMHB at Unit 30-01, Level 30, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia during normal business hours (except public holidays) from the date of this Statement up to the date of the forthcoming 25<sup>th</sup> AGM:-

- (i) Constitution of FMHB; and
- (ii) Audited Financial Statements of FMHB Group for the past two (2) financial years ended 30 June 2020 and 30 June 2021.

Yours faithfully,  
For and on behalf of the Board of  
**FREIGHT MANAGEMENT HOLDINGS BHD.**

**Tengku Nurul Azian Binti Tengku Shahrman**  
Chairperson/Independent Non-Executive Director

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